

Company Registration No. 00347823 (England and Wales)

KEETONS MANAGEMENT SERVICES LIMITED
UNAUDITED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2020
PAGES FOR FILING WITH REGISTRAR

KEETONS MANAGEMENT SERVICES LIMITED

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KEETONS MANAGEMENT SERVICES LIMITED

BALANCE SHEET

AS AT 31 DECEMBER 2020

	Notes	2020 £	£	2019 £	£
Fixed assets					
Intangible assets	4		1,933		-
Tangible assets	5		2,364,408		2,302,146
			<u>2,366,341</u>		<u>2,302,146</u>
Current assets					
Debtors	6	2,415,030		2,435,655	
Cash at bank and in hand		40,474		1,027,881	
		<u>2,455,504</u>		<u>3,463,536</u>	
Creditors: amounts falling due within one year	7	(630,319)		(566,284)	
Net current assets			<u>1,825,185</u>		<u>2,897,252</u>
Total assets less current liabilities			<u>4,191,526</u>		<u>5,199,398</u>
Creditors: amounts falling due after more than one year	8	(975,000)		(1,800,000)	
Net assets			<u><u>3,216,526</u></u>		<u><u>3,399,398</u></u>
Capital and reserves					
Called up share capital			660,625		660,625
Capital redemption reserve			39,375		39,375
Profit and loss reserves			<u>2,516,526</u>		<u>2,699,398</u>
Total equity			<u><u>3,216,526</u></u>		<u><u>3,399,398</u></u>

The directors of the company have elected not to include a copy of the profit and loss account within the financial statements.

For the financial year ended 31 December 2020 the company was entitled to exemption from audit under section 477 of the Companies Act 2006 relating to small companies.

The directors acknowledge their responsibilities for complying with the requirements of the Companies Act 2006 with respect to accounting records and the preparation of financial statements.

The members have not required the company to obtain an audit of its financial statements for the year in question in accordance with section 476.

These financial statements have been prepared and delivered in accordance with the provisions applicable to companies subject to the small companies regime.

KEETONS MANAGEMENT SERVICES LIMITED

BALANCE SHEET (CONTINUED)

AS AT 31 DECEMBER 2020

The financial statements were approved by the board of directors and authorised for issue on 30 September 2021 and are signed on its behalf by:

M G Barlow
Director

Company Registration No. 00347823

KEETONS MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

Company information

Keetons Management Services Limited is a private company limited by shares incorporated in England and Wales. The registered office is 1 Keetons Hill, Sheffield, S2 4NW.

1.1 Accounting convention

These financial statements have been prepared in accordance with FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the requirements of the Companies Act 2006 as applicable to companies subject to the small companies regime. The disclosure requirements of section 1A of FRS 102 have been applied other than where additional disclosure is required to show a true and fair view.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

The financial statements have been prepared under the historical cost convention, modified to include the revaluation of freehold properties and certain financial instruments at fair value. The principal accounting policies adopted are set out below.

1.2 Turnover

Turnover is recognised at the fair value of the consideration received or receivable for services provided in the normal course of business, and is shown net of VAT.

Revenue from contracts for the provision of professional services is recognised by reference to the stage of completion when the stage of completion, costs incurred and costs to complete can be estimated reliably. The stage of completion is calculated by comparing costs incurred, mainly in relation to contractual hourly staff rates and materials, as a proportion of total costs. Where the outcome cannot be estimated reliably, revenue is recognised only to the extent of the expenses recognised that it is probable will be recovered.

1.3 Intangible fixed assets other than goodwill

Intangible assets acquired separately from a business are recognised at cost and are subsequently measured at cost less accumulated amortisation and accumulated impairment losses.

Intangible assets comprise primarily licence fees paid in advance for the use of trade marks and technology. Such assets are defined as having finite useful lives and the costs are amortised on a straight line basis over their estimated useful lives of 10 years. Intangible assets are stated at cost less amortisation and are reviewed for impairment whenever there is an indication that the carrying value may be impaired.

Amortisation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Patents and licences	10 years straight line
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1.4 Tangible fixed assets

Tangible fixed assets are initially measured at cost and subsequently measured at cost or valuation, net of depreciation and any impairment losses.

KEETONS MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Depreciation is recognised so as to write off the cost or valuation of assets less their residual values over their useful lives on the following bases:

Freehold property	No depreciation is charged
Computer equipment	33% on cost
Fixtures and fittings	33% on cost
Motor vehicles	20% on cost

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is credited or charged to profit or loss.

1.5 Impairment of fixed assets

At each reporting period end date, the company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the company estimates the recoverable amount of the cash-generating unit to which the asset belongs.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Recognised impairment losses are reversed if, and only if, the reasons for the impairment loss have ceased to apply. Where an impairment loss subsequently reverses, the carrying amount of the asset (or cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

1.6 Cash at bank and in hand

Cash and cash equivalents are basic financial assets and include cash in hand, deposits held at call with banks, other short-term liquid investments with original maturities of three months or less, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities.

1.7 Financial instruments

The company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

KEETONS MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Basic financial assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors, bank loans, loans from fellow group companies and preference shares that are classified as debt, are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised cost, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

1.8 Equity instruments

Equity instruments issued by the company are recorded at the proceeds received, net of transaction costs. Dividends payable on equity instruments are recognised as liabilities once they are no longer at the discretion of the company.

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in profit or loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

1.9 Taxation

The tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from net profit as reported in the profit and loss account because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

KEETONS MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

1 Accounting policies

(Continued)

Deferred tax

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited in the profit and loss account, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

1.10 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense, unless those costs are required to be recognised as part of the cost of stock or fixed assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2 Exceptional items

	2020	2019
	£	£
Expenditure		
Loss on disposal of freehold property	-	52,000
Loss on disposal of other asset	-	37,262
Related party balance write backs	-	(26,075)
Related party loan write off provision	-	60,000
	<u>-</u>	<u>123,187</u>

3 Employees

The average monthly number of persons (including directors) employed by the company during the year was:

	2020	2019
	Number	Number
Total	<u>1</u>	<u>1</u>

KEETONS MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

4 Intangible fixed assets

	Patents and licences £
Cost	
At 1 January 2020	-
Additions	2,000
At 31 December 2020	2,000
Amortisation and impairment	
At 1 January 2020	-
Amortisation charged for the year	67
At 31 December 2020	67
Carrying amount	
At 31 December 2020	1,933
At 31 December 2019	-

5 Tangible fixed assets

	Freehold property £	Computer equipment £	Fixtures and fittings £	Motor vehicles £	Total £
Cost					
At 1 January 2020	2,278,425	365,856	46,946	58,089	2,749,316
Additions	-	10,841	-	68,994	79,835
At 31 December 2020	2,278,425	376,697	46,946	127,083	2,829,151
Depreciation and impairment					
At 1 January 2020	-	365,739	46,946	34,485	447,170
Depreciation charged in the year	-	2,306	-	15,267	17,573
At 31 December 2020	-	368,045	46,946	49,752	464,743
Carrying amount					
At 31 December 2020	2,278,425	8,652	-	77,331	2,364,408
At 31 December 2019	2,278,425	117	-	23,604	2,302,146

The total original cost of investment properties shown at valuation above was £2,725,051. Investment properties are held for use under operating leases.

The company commissioned a valuation of the property portfolio in December 2016 which was undertaken by Fowler Sandford, Chartered Surveyors and Valuers, which valued the property portfolio at £2,278,425. As the directors believe that market values have not altered materially, these valuations have been incorporated into the financial statements as at 31 December 2020.

KEETONS MANAGEMENT SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 DECEMBER 2020

6 Debtors

	2020	2019
	£	£
Amounts falling due within one year:		
Trade debtors	3,601	-
Amounts owed by group undertakings	2,404,683	2,430,721
Other debtors	6,746	4,934
	<u>2,415,030</u>	<u>2,435,655</u>

7 Creditors: amounts falling due within one year

	2020	2019
	£	£
Trade creditors	18,898	283
Taxation and social security	(1,836)	3,649
Other creditors	613,257	562,352
	<u>630,319</u>	<u>566,284</u>

8 Creditors: amounts falling due after more than one year

	2020	2019
	£	£
Other creditors	<u>975,000</u>	<u>1,800,000</u>

9 Related party transactions

The immediate and ultimate parent company is Keetons Holdings Limited, a company incorporated in England and Wales. The ultimate controlling party is M G Barlow, a director of the company.

Mr M G Barlow is the controlling party of a number of companies and details of transactions and balances with these companies are detailed below:

During the year, the company made repayments totalling £825,000 to Barlow Group Limited, relating to a loan previously made to the company. At 31 December 2020, the amount still owing to Barlow Group Limited was £975,000 (2019: £1,800,000). No interest was payable in the year (2019: £15,000).

At 31 December 2020, the company had an outstanding loan due to Barlow Group Holdings Limited of £400,000 (2019: £400,000). The loan is non-interest bearing, unsecured and repayable on demand.

During the year, Keetons Holdings Limited, its immediate parent company, repaid amounts to the company of £26,038. At 31 December 2020, Keetons Holdings still owed the company £2,404,683 (2019: £2,430,721). The loan is interest bearing, unsecured and repayable by 8th October 2025.

This document was delivered using electronic communications and authenticated in accordance with the registrar's rules relating to electronic form, authentication and manner of delivery under section 1072 of the Companies Act 2006.